

Thomas Jefferson to Charles W. F. Dumas, June 3, 1792, from The Works of Thomas Jefferson in Twelve Volumes. Federal Edition. Collected and Edited by Paul Leicester Ford.

TO C. W. F. DUMAS J. MSS.

Philadelphia, June 3, 1792.

Dear Sir, —* * * The prices of our funds have undergone some variations within the last three months. The six percents were pushed by gambling adventurers up to 26/ or 27/ the pound. A bankruptcy having taken place among them, & considerably affected the more respectable part of the paper holders, a greater quantity of paper was thrown suddenly on the market than there was demand or money to take up. The prices fell to 19/. This crisis is past & they are getting up towards their true value, being at 23/. Tho' the price of public paper is considered as the barometer of the public credit, it is truly so only as to the general average of prices. The real credit of the U. S depends on the ability, & the immutability of their will, to pay their debts. These were as evident when their paper fell to 19/. as when it was at 23/. The momentary variation was, like that in the price of corn, or any other commodity, the result of a momentary disproportion between the demand & supply.

The unsuccessful issue of our expeditions against the Indians the last year, are not unknown to you. More adequate preparations are making for the present year, in the mean time, some of the hostile tribes have accepted peace & others have expressed a readiness to do the same.

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Another plentiful year has been added to those which had preceeded it; & the present bids fair to be equally so, a prosperity built on the basis of Agriculture is that which is the most desirable to us, because to the effects of labour, it adds the effects of a greater proportion of soil. The checks however which the commercial regulations of Europe have given to the sale of our produce, has produced a very considerable degree of domestic manufacture, which so far as it is in the household way, will doubtless continue: and so far as it is more public, will depend on the continuance or discontinuance of this policy of Europe.